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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/24/07

SPONSOR Jennings LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Increase Certain Medicaid Payments SB 119

ANALYST Weber

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY07	FY08	FY09		
	\$247.9	\$230.0	Recurring	Federal Funds

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

### SUMMARY

#### Synopsis of Bill

Senate Bill 119 appropriates \$100.0 from the general fund to the Human Services Department to increase reimbursement to physicians for anesthesia services to ensure access to these essential services.

## **FISCAL IMPLICATIONS**

The appropriation of \$100.0 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2008 shall revert to the general fund.

## **SIGNIFICANT ISSUES**

The Human Services Department contributes the following.

In order to maintain the increased level of payment for future years, the increase would need to be included in the Medicaid base budget request in future years.

The appropriation is limited to “payments to physicians” and does not address the anesthesia services rendered by Certified Nurse Anesthetists, or Anesthesia Assistants, both of whom participate in the Medicaid Program also, often working under the direction of a physician.

## **OTHER SUBSTANTIVE ISSUES**

The LFC recommendation includes \$13 million in physician related reimbursement increases.

MW/nt